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TO RUEHC/SECSTATE WASHDC IMMEDIATE 9445
INFO RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHBK/AMEMBASSY BANGKOK 3071
RUEHBJ/AMEMBASSY BEIJING 2401
RUEHBY/AMEMBASSY CANBERRA 2268
RUEHKA/AMEMBASSY DHAKA 5311
RUEHLO/AMEMBASSY LONDON 2230
RUEHNE/AMEMBASSY NEW DELHI 5730
RUEHUL/AMEMBASSY SEOUL 9334
RUEHTC/AMEMBASSY THE HAGUE 0857
RUEHKO/AMEMBASSY TOKYO 6918
RUEHCN/AMCONSUL CHENGDU 1904
RUEHCHI/AMCONSUL CHIANG MAI 2325
RUEHCI/AMCONSUL KOLKATA 0745
RHHMUNA/CDR USPACOM HONOLULU HI
RUEKJCS/JOINT STAFF WASHDC
RUCNDT/USMISSION USUN NEW YORK 2703
RUEHGV/USMISSION GENEVA 4673
RUEATRS/DEPT OF TREASURY WASHDC
RUEKJCS/DIA WASHDC
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 RANGOON 000609

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STATE FOR EAP/MLS, INR/EAP,
PACOM FOR FPA
TREASURY FOR OASIA, OFAC

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TAGS: [ECON](#) [EFIN](#) [ETRD](#) [PREL](#) [PGOV](#) [PINR](#) [BM](#)

SUBJECT: BURMA: BUSINESS CANDIDATES WILL RUN, LIKE IT OR NOT

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Classified By: Economic Officer Marc Porter for Reasons 1.4 (b and d).

Summary

1. (SBU) Conversations with a range of private sector contacts suggest the regime is in the process of selecting supportive candidates from the business community to run in the 2010 elections. The regime has reportedly vetted individuals based not only on perceived loyalty but also via a candidate questionnaire. It is unlikely that many private citizens relish the prospect of running in order to be a junta proxy. However, well-connected business people have little room to maneuver as the GOB controls access to key sectors and continued commercial success often depends on the goodwill of the top generals. End summary.

Your Regime Needs You

2. (SBU) The parliamentary structure created by the new constitution means the regime will need to recruit allies and ensconce them in parliament to complement the slots allotted directly to the Defense Services (Note: At least 25 percent of the seats of both houses are reserved for military members appointed by the uniformed Commander in Chief.) According to a range of private sector contacts, that process is already underway, with the regime actively searching for supportive -- and ostensibly independent -- candidates from the private sector.

3. (C) Nay Win Maung, head of Myanmar Egress, a Burmese NGO active in civil society development, and a business magazine

publisher, told us the government has already approached potential candidates and begun vetting them. He based this on his observations during a recent meeting with Minister of Agriculture Major General Htay Oo, who is concurrently head of the USDA, the regime's mass mobilization organization. At the Agriculture Ministry, Nay Win Maung saw a room "full of folders" that he was told contained information gathered on potential candidates for USDA review and approval.

¶4. (C) Myat Thein, former rector of the Economics Institute, told us that the regime officials have approached some of his former students who are nearing the end of civil service careers and urged them to run. These senior civil servants are all trying to avoid running as none want to be associated with the regime, according to Myat Thein. Civil servants at end of their careers have some latitude in refusing since they are no longer concerned with future advancement. Myat Thein surmised that avoiding the call to government service would be far more difficult for business figures; though none would want to be associated with the generals, their continued economic survival depends on remaining in favor with the regime. He personally has not yet heard of specific business figures receiving offers to run, but is certain many will be tapped.

¶5. (C) Garment factory owner and agricultural commodities trader Kyaw Win told us business figures are being chosen not just by their perceived loyalty to the regime but by their responses to a GOB questionnaire distributed to potential candidates. Kyaw Win, who says he was not chosen to run due to his ethnic Chinese background, has not seen the

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questionnaire but said it was given to an associate, the chairman of the Myanmar Garment Manufacturers Association. Kyaw Win said he heard the "correct" answer is easy to discern in many cases but the intent more opaque on questions such as: "What do you think about representative democracy?" He said it would be impossible to refuse directly a suggestion to run but that respondents could game the questionnaire by answering in ways that would prevent their selection. He believes the process of choosing candidates is complete or nearly so, noting that his associate has already received word that he will not be running in the election.

¶6. (C) Minn Minn Oung, chairman of the Silver Wave Group, also told us that many businessmen have been "approved" to run. (Note: Minn Minn Oung owns the Silver Wave Group, which is active in the energy, mining, agricultural, and marine construction sectors; Post has recommended OFAC add Minn Minn Oung and his companies to Treasury's sanctions list.) He demurred regarding any political role for himself, saying he was too young and too busy with his business interests. Minn Minn Oung identified Htay Myint, head of the Yuzana Group and currently the target of U.S. financial sanctions, as someone the regime has chosen to run. The GOB is assigning private sector candidates to geographic regions based on origin or ethnicity, according to Minn Minn Oung. For example, Htay Myint, who hails from Myeik, Tanintharyi Division, will run to represent his hometown, and an unnamed construction company owner who is Muslim and of Indian ethnicity will run in Rakhine State. Future candidates have been busy laying the groundwork for their campaigns and have been "off making donations and building schools" in the districts they plan to represent, according to Minn Minn Oung.

Comment

¶7. (C) Not content to rely on the direct military appointments to parliament and other advantages written into the constitution, the regime appears to be trying to stack the deck with candidates whose subservience they trust. It's interesting that the regime is apparently using a questionnaire to screen candidates instead of relying on the

more basic litmus test -- reliability/pliability. Few private sector figures will likely relish their candidacy -- which means time away from their businesses and a public association with the regime. However, success in business often requires a close relationship with the government, and sweeping political change would mean near-term uncertainty for most businessmen and grave danger for the cronies at the top of the food chain.

VAJDA